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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

MAR 21 2003

VIA FACSIMILE AND U.S. MAIL

SE-5J

REPLY TO THE ATTENTION OF

Mr. Richard Berggreen
STS Consultants, Ltd.
750 Corporate Woods Parkway
Vernon Hills, Illinois 60061-3153

EPA Region 5 Records Ctr.



227076

Re: Completion of Work for the Lindsay Light II Site/(OU3/North McClurg Court),
341 East Ohio Street, Chicago, Cook County, Illinois

Dear Mr. Berggreen:

This letter describes the removal action work completed by the Teachers' Retirement System of the State of Illinois (TRS), the owner of the vacant lot located at 341 East Ohio Street, Chicago, Cook County, Illinois which is bounded on three sides by the City of Chicago's sidewalk right-of-ways along Grand Avenue, McClurg Court, and Ohio Street (the Property). United States Environmental Protection Agency (U.S. EPA) designated this Property as the Lindsay Light II Site/(OU3/North McClurg Court). Pursuant to the U.S. EPA-approved Removal Action Work Plan, as amended, TRS removed all radioactively-contaminated material within its legal boundaries of the Property, however, three radioactively-contaminated areas remain beneath the adjacent City of Chicago sidewalk right-of-ways along Grand Avenue and Ohio Street.

Lindsay Light II June 1996 UAO / Grand Pier March 2000 UAO Amendment

On June 6, 1996, based upon a U.S. EPA action memorandum which documented that the presence of radioactive thorium in soils near the former Lindsay Light Co. (Lindsay Light) thorium processing facility at 316 E. Illinois in Chicago's Streeterville neighborhood may have presented an imminent and substantial endangerment to public health, U.S. EPA issued a time-critical Unilateral Administrative Order for the Lindsay Light II site (UAO) to Kerr-McGee Chemical Corporation and The Chicago Dock & Canal Trust. The UAO resulted in the removal of thorium contamination from one square city block of property bounded by Grand Avenue, Illinois, McClurg Court and Columbus Drive in the City of Chicago. That block is designated as the Lindsay Light II site and is commonly called the "River East" site after the name of the mixed-use development project there.

In March 2000, after thorium contamination was discovered during the development of the Grand Pier project directly across Columbus Drive from the Lindsay Light II site, U.S. EPA amended the Lindsay Light II time-critical action memorandum and UAO to include the Grand Pier property, which is designated as Lindsay Light II/(RV3 North Columbus Drive) and commonly called the "Grand Pier" site.

TRS Lindsay Light II Action Memorandum Amendment

From 1947 to 1988, the Property was the headquarters and research center for Velsicol Corporation and later Sandoz Limited. In 1988, the buildings were razed and the land was used for a parking lot. In 1993, the owner of the Property, which was a limited partnership that had used the Property as collateral for mortgage loans from TRS, transferred the title to TRS pursuant to deeds in lieu of foreclosure. In April 2000, a potential purchaser of the lot discovered the presence of thorium while conducting limited radiological sampling. On May 31, 2000, TRS informed U.S. EPA that elevated levels of radioactive materials had been detected on the Property. This information was supported by the U.S. EPA Scanner Van radiation survey of the Property and by a gamma survey meter walkover by U.S. EPA staff.

On July 13, 2000, U.S. EPA notified TRS and Kerr McGee Chemical L.L.C. that the radioactive material at the Property was off-site contamination associated with the Lindsay Light UAO and subject to the UAO as amended. The letter also requested a work plan for site assessment and cleanup. In a letter dated December 20, 2000, TRS notified EPA that it wished to commence construction at the Property in March 2001. On March 1, 2001, U.S. EPA again amended the Lindsay Light II time-critical action memorandum to document that the presence of Lindsay Light II off-site contamination at the Property.

TRS Removal Work Plan

On May 15, 2002, U.S. EPA approved the TRS Work Plan for the Property dated May 15, 2002 (Work Plan). The approved Work Plan was developed consistent with the Lindsay Light UAO that required the following actions at a minimum:

- 1) Develop a Work Plan for the radiological assessment of the site.
- 2) Develop and implement a site health and safety plan.
- 3) Develop and implement an air monitoring plan.
- 4) Develop and implement site security measures.
- 5) Conduct land surveying to the extent necessary to establish a grid system to locate all property boundaries, special features (pipes, storage tanks, etc.), and sample locations.
- 6) Place borings in critical locations (grid corners, high exposure rate areas, special features, etc.) for the purpose of measuring subsurface radiation levels. Measurements shall be recorded at each 6 inch depth until the natural soils are

reached or radiation levels reach background, whichever is the greatest depth.

- 7) Collect soil samples from the borings and analyze for radionuclide content and RCRA characteristics. These results will then be used by the PRP to correlate subsurface radiation levels and radionuclide content, and to determine the disposal facility.
- 8) Conduct off-site radiological surveying and sampling as necessary and, at a minimum implement 40 CFR 192 if deemed necessary should contamination be discovered beyond current site boundaries.
- 9) Based upon soil results, remove, transport and dispose of all characterized or identified hazardous substances, pollutants, wastes or contaminants at a RCRA/CERCLA approved disposal facility in accordance with the U.S. EPA off-site rule.
- 10) The soil clean-up criterion is 7.1 picoCuries per gram(pCi/g) total radium (Ra-226 + Ra-228) including background, unless analyses indicates the existence of additional contaminants, hazardous substances, pollutants or waste.

TRS Removal Work

Oversight of the PRP's activities at this site was performed by staff from U.S. EPA Superfund Division and contractor personnel from the Superfund Technical Assessment and Response Team (START). The Superfund Division also reviewed the final reports.

The removal work started on June 6, 2002 and ended on October 2, 2002 and involved both thorium and pesticide-contaminated soils. Prior to remediation, gamma readings as high as 95,000 counts per minute were detected at the Property. Counts per a minute in an uncontaminated area generally are about 7,000 counts per minute. Approximately 6,233 tons of thorium-contaminated soils were excavated and shipped to the Envirocare Facility in Clive, Utah for disposal. Approximately 5,689 tons of pesticide-contaminated soils were shipped to the CID Landfill in Chicago, Illinois. The pesticide-contaminated soil was attributed to the activities of either Velsicol Corporation or Sandoz Limited. The pesticide-contaminated soil was removed to levels that were acceptable to the Illinois Environmental Protection Agency.

Radioactive Contamination Remaining Beneath Adjacent Sidewalks

In accordance with the U.S. EPA-approved Removal Action Work Plan, as amended, TRS removed all radioactively-contaminated material within the "footprint" of legal boundaries of the Property. Site investigation activities, however, also identified three radioactively-contaminated

areas remaining underneath the immediately adjacent Grand Avenue and Ohio Street sidewalks as depicted in Figure 1 which is enclosed with this document. TRS declined to remove these remaining contaminated areas because the contamination is located outside of the boundaries of the Property and within the City of Chicago's sidewalk right-of-way. Please note that the thorium concentration in these deposits ranged as high as 240.66 pCi/g which significantly exceeds the cleanup standard of 7.1 pCi/g. As long as these contaminated areas remain undisturbed and covered by the sidewalk, the contamination does not pose a threat to public health or the environment. However, as the Property undergoes development and utilities and other improvements may be installed in the sidewalk right-of-way, the contaminated areas must be properly managed to prevent workers or the public from exposure to the remaining radioactive material during future construction or utility construction, replacement or repair work.

Management of Remaining Contamination Beneath Adjacent Sidewalks

Some provisions have been made regarding the management of the contaminated material beneath the Grand Avenue sidewalk which is located directly across from the Lindsay Light II removal site that was the subject of a removal action. A Right-of-Way Agreement, dated September 27, 1999, was entered into between River East, L.L.C., Kerr-McGee Chemical, L.L.C, and the City of Chicago which requires that whenever a City of Chicago permit to conduct subsurface work in the sidewalk right-of-way is applied for, the permit applicant must agree to conduct radiation surveillance and if any radioactive materials are encountered, then the radioactive material must be properly managed and disposed of. The right-of-way agreement also provides that the City of Chicago must notify U.S. EPA and Kerr-McGee, L.L.C, whenever a permit to conduct subsurface work is applied for. In addition, the City of Chicago presently has designated the Grand, McClurg, and Ohio street sidewalks as permit "moratorium" locations. The current moratorium location conditions are similar to the Right-of-Way Agreement requirements; whenever a permit is applied for the permit applicant must agree to conduct radiation surveillance and properly manage any radioactive material encountered. Yet, despite the Right-of-Way Agreement and the City of Chicago's permit moratorium, in several instances, subsurface materials beneath right-of-ways were exposed without radiation surveillance.

To further ensure that radiation surveillance is timely conducted and any remaining radioactive contamination in the sidewalks around this Property is properly managed, U.S. EPA requests that if TRS or any subsequent purchaser or anyone acting on behalf of TRS or a subsequent purchaser, including but limited to contractors, subcontractors, utilities providing service or improvements to the Property, conducts any subsurface work in any sidewalk right-of-way adjacent to the Property, then TRS or a subsequent purchaser shall give U.S. EPA prior notice of the subsurface work and shall perform or ensure the performance of radiation surveillance and the proper management and disposal of any radioactively-impacted material encountered during such work. In addition copies of the surveillance report and any subsequent radioactive materials

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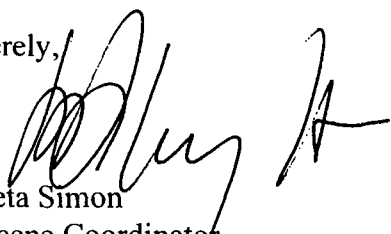
management or disposal should be sent to the City of Chicago Department of the Environment and U.S. EPA Region 5. This request does not effect the obligations of the parties to the Right-of-Way Agreement or the City of Chicago's current permit moratorium with respect to this Property.

Please also note that during the construction on the Property, it also may be necessary to shield the exposed vertical face of the contamination under the sidewalk to protect workers present on the Property from excess radiation.

This letter merely reflects U.S. EPA's determination that the work required by the Work Plan, as amended, was completed. This notice of completion in no way releases TRS or Kerr-McGee L.L.C. from any potential future obligations to perform additional work to address the same, or other conditions at the site. Nor does this notice release Kerr-McGee L.L.C. from any potential future obligations to perform additional work to address the same or other conditions at sites found to be linked to Lindsay Light or work required pursuant to the September 1999 Right-of-Way Agreement. Similarly, this notice of completion does not release TRS or Kerr-McGee, L.L.C. from any recordkeeping, payment, or other obligations under the Work Plan or Order that extend beyond the date of this notice. Also, U.S. EPA reserves the right to collect penalties for any non-compliance with the Order.

Please contact me at (312) 886-3601 or Mary Fulghum, Associate Regional Counsel at (312) 886-4683 if you have any questions concerning this letter.

Sincerely,



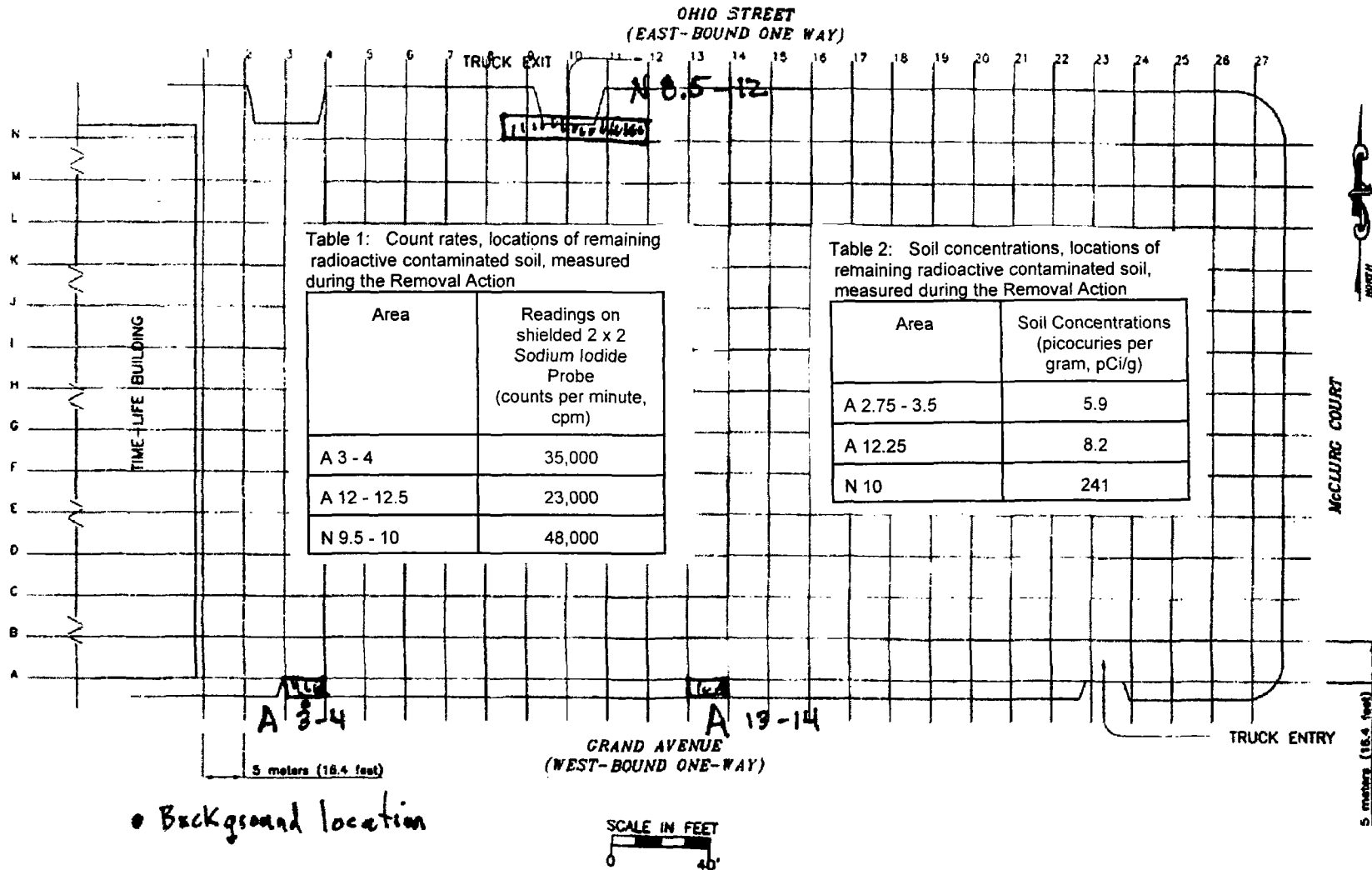
Vernetta Simon
On-Scene Coordinator

Enclosure:

1. Figure 1

cc: Mort Ames, Corporation Counsel City of Chicago
J.T. Smith, Covington & Burling

Figure 1- Completion of Work Lindsay Light 341 East Ohio Street, Chicago, IL



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Cathleen Martwick, C-14J, w/enclosure
Fred Micke, SE-5J, w/enclosure
Linda Nachowicz, SE-5J,w/enclosure
Debbie Regel, SE-5J, w/enclosure